

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 20131
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On January 18, 2007, the Income Tax Audit Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer), proposing Idaho individual income tax, penalty, and interest in the amount of \$714 for 2003.

The taxpayer filed a timely protest and petition for redetermination. She submitted no documents for examination and did not request an informal conference. The Tax Commission has reviewed the file, is advised of its contents, and hereby issues its decision.

Idaho Code § 63-3002 provides:

Declaration of intent. It is the intent of the legislature by the adoption of this act, insofar as possible to make the provisions of the Idaho act identical to the provisions of the Federal Internal Revenue Code relating to the measurement of taxable income, to the end that the taxable income reported each taxable year by a taxpayer to the internal revenue service shall be the identical sum reported to this state, subject only to modifications contained in the Idaho law; . . .

The intent of the Idaho Legislature is to follow the federal determination of income subject only to modifications contained in Idaho law. The taxpayer filed a 2003 Idaho resident individual income tax return reporting less income than she reported in her federal return.

Because the taxpayer's federal adjusted gross income was more than the amount reported in her Idaho return, an auditor with the Tax Commission sent the taxpayer a letter asking for an explanation. The taxpayer did not respond.

A NODD was issued addressing that additional income. The taxpayer responded with a completed questionnaire that had been sent to her on October 11, 2006. The completed form was received at the Tax Commission on March 21, 2007. Because the taxpayer's response clarified her residency as a part-year resident for the year in question, the Bureau amended the figures shown in the NODD. The Bureau sent the taxpayer a letter to acknowledge her protest and advise her of the corrected amount of tax and interest. She was given the opportunity to withdraw her protest.

The taxpayer did not withdraw her protest. Rather, she wrote a note that she objected to the interest. She said she, ". . . shouldn't owe 18% interest on the original amt., only on the adjusted amt."

It appears that the taxpayer mistook the \$18 of interest to be a percentage of the original figures. The amended NODD showed tax of \$95 and interest of \$18. The percentage of interest was in accordance with Idaho Code. The interest will continue to accrue at an annual rate that is set by the legislature each year until the tax is paid.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of her argument, the taxpayer has failed to meet her burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated January 18, 2007, is hereby MODIFIED and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax and interest for 2003:

<u>TAX</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$95	\$20	\$115

Interest is computed through October 15, 2007.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayer's right to appeal this decision is enclosed.

DATED this _____ day of _____, 2007.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2007, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.